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The deepest merit of Mr. Farnham's book, then, is one which only those who knew and cared for Parkman can fully understand. Without violation of that fine reticence which was so deeply inbred in Parkman, Mr. Farnham has given us an unfaltering study of his personality. As you read it, you feel a growing sense that you are once more in the presence of the man, in his habit, as he lived. The hours which you pass with this book are like renewed ones with the friend whose memory it will help to preserve. You lay it down with a feeling of grave, tender content. The future, if it will, may know more than Parkman's work; it may know Parkman, too.

BARRETT WENDELL.

A History of Banking in the United States. By the late JOHN JAY KNOX, assisted by a corps of financial writers in the various States. The entire work carefully revised and brought up to date by BRADFORD RHODES, editor of the *Bankers' Magazine*, and ELMER H. YOUNGMAN, associate editor. (New York: Bradford Rhodes and Co. 1900. Pp. xxii, 880.)

THE academic world of patient investigation and reflective analysis as well as the more active world of political administration and finance has been greatly indebted in the past to Mr. Knox for his contributions to the history of government monetary issues and banking institutions,—contributions characterized by careful inquiry, candid spirit and lucid statement. Mr. Knox was Deputy Comptroller and Comptroller of the Currency from 1867 to 1884, during which period the national banking system was fiercely assailed. Thus he enjoyed abundant opportunities for acquiring information not only through the archives of the office, but also through a large and intimate acquaintance with bankers throughout the country. During this long period of service, he set a praiseworthy example as a government official, in incorporating into his annual reports the results of historical research. He thus made his documents of permanent value to the student. The reports of 1875 and 1876 are notable illustrations. The researches of Mr. Knox led him in two directions,—one into the history of government treasury notes, and the other into that of the origin and development of banking institutions in the United States. The results of the first of these studies were published in 1884 in the volume entitled *United States Notes*. That book met with general approval, and has since passed through several editions. Although compact in its compass, it contains the essential facts, and presents them in a style appropriate to the scheme adopted by the author. The second task Mr. Knox did not live to complete. It was far more difficult to accomplish than the former, for it demanded a separate banking study for each of the states; and as there has been a great variety of systems with no uniform development, and as in many cases there are few public documents which can be relied upon for information, the gathering of the material was naturally slow and perplexing. Mr. Knox left

the government service in 1884, and from that time until his death in 1892 was actively engaged in the banking business in New York. The opportunities for continuous inquiry were consequently broken, although the historical interest still remained.

The editor's preface states that Mr. Knox substantially finished his study relating to national banks, and accumulated a large part of the facts desired for treating of state banks, "but did not live to finish what he regarded as one of the most important undertakings of his life." The completion of the work was then put into the hands of the editors of Rhodes's *Journal of Banking* to which Mr. Knox from time to time had contributed a series of studies. These editors in turn called into co-operation a large number of assistants from different states to amplify the local studies. Acknowledgment is also made of the assistance rendered by Mr. William B. Greene, for many years in the Comptroller's office, and familiar with the plans of Mr. Knox. The result of the labors of these various editors, contributors, and advisers, is the work now before us,—a large volume of nearly nine hundred pages. Like all others prepared under such circumstances it is in many ways unsatisfactory. It is a compilation rather than a well-digested treatise; and judged even as a compilation, it is open to objection because of the repetitions. Nevertheless when account is taken of the conditions controlling the production of the work, the public is largely debarred from criticism and should be thankful for what is given.

There are two ways in which the history of banking may be studied,—one relates to the machinery of banking, the laws controlling the incorporation and the management of banks, with an account of the political relationships thus developed, and a description of the various technical processes by which the bank carries on its operations; the other relates to the social and economic influence of banks upon the general life of the people.

Most of the banking studies thus far made will be found in the first class, and this work is no exception. It is a record of annals,—dates, names, events and summaries of laws,—rather than an historical narrative which takes into account the forces shaping the development of banks and the consequences to the people in benefits or evils. The merit of this particular work is that it presents these annals in a more compendious and detailed form than can be found in any other volume.

Part I., pp. 1-304, is directed to the history of banks operating under federal laws, including the Bank of North America, the First and Second United States Banks, and the national banks. For this earlier portion the treatment does not disclose any new or wide research, or even familiarity with the detailed labors of Professor Sumner as witnessed in *The Financier and Finances of the American Revolution*, and the life of Andrew Jackson. Occasionally there is an interesting expression of judgment in regard to men and the course of events. The author believes that if a bank had been established in 1775, it would have resulted in ample financial resources which would have given to Congress greater authority

and diminished that of the states. In this way a strong and centralized government might have been more quickly brought about. The First United States Bank is termed a great monopoly, useful no doubt, but a foreign importation and as a monopoly opposed to the genius of American institutions ; the removal of the deposits by Jackson and the issue of the specie circular were acts of financial recklessness ; and Tyler is characterized as narrow and mediocre.

The chapters on the national banking system are naturally the best in the book. Mr. Knox clearly appreciated the fundamental significance of the long continued struggle after the Civil War to substitute treasury notes in place of bank notes, and more than this, understood the administration influences which in unsuspected ways contributed to the support of the greenback in its rivalry with the bank notes.

"With legal tender notes, the Treasurer's office, which had charge of the preparation, signing, issuing and redemption of these notes, gradually acquired more power. The Treasurer was a much more important official with greatly increased patronage. The handling of the United States notes caused him to be in more frequent consultation with the Secretary. The office of the Comptroller of the Currency did not tend to establish so close relations. In fact, there were from a very early day two factions in the Treasury Department, the legal tender faction and the national bank faction. The former, whenever they had opportunity, did what they could to prevent the retirement of legal tender notes and the substitution therefor of national bank currency. Many of the most effective arguments against the banks were furnished to members of Congress from this source" (p. 149).

Part II. of the work treats of banking under state laws. The history of each state is taken up separately, there being no attempt to bring these several local experiences into one comprehensive survey or series of generalizations. The data will be serviceable to the future historian, but this portion as it now stands is of little interest as a narrative. Use has been made of the *Sound Currency Monographs* issued by the Reform Club of New York. This material will supplement the volume on United States banking prepared by Professor Sumner for the encyclopedic history of banking in all countries.

The following errors have been noted : The date 1781, on page 39, should be 1791 ; Woodbury was not Secretary of the Treasury in 1833, as mentioned on page 70, but Secretary of the Navy ; Boutelle is written for Boutwell, on page 149 ; Jurdan for Jordan, on page 222 ; the date on page 96, January 8, 1863, should be changed to 1862 ; and on page 125, the dollar sign has slipped in before the figures 6, 505, 930. The most serious error, however, is the confusion occasioned by Chapters 14-16 on the national banking system, which repeat much of what appears in previous chapters. The reader would have a more correct understanding if this matter had been incorporated into the main narrative.

DAVIS RICH DEWEY.